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WISCONSIN ECONOMIC INDICATORS

JULY 1985

DILHR

DEPARTMENT OF
INDUSTRY, LABOR & HUMAN RELATIONS

WISCONSIN DATA AND SOURCES

	INDICATOR	SOURCE
L1	Composite Index of Leading Indicators	Wis.Dept. of Industry, Labor and Human Relations
L2	Average Work Week, Manufacturing	Wis. Dept. of Industry, Labor and Human Relations
L3	Average Overtime Hours, Mfg.	Wis. Dept. of Industry, Labor and Human Relations
L4	Average Weekly Initial Claims	Wis. Dept. of Industry, Labor and Human Relations
L5	Total Job Openings Received	Wis. Dept. of Industry, Labor and Human Relations
L6	New Business Incorporations	Wisconsin Secretary of State
L7	Net Gain in Business Phone Access Lines	Wis. Telephone Co. and General Telephone Co.
L8	Building Plans Examined	Wis. Dept. of Industry, Labor and Human Relations
C1	Help-Wanted Advertising Index (Milw.)	National Industrial Conference Board
C2	Total Unemployment Rate	Wis. Dept. of Industry, Labor and Human Relations
C3	Natural Gas Sales	Wisconsin Public Service Commission
C4	New Car Registrations	Wis. Department of Transportation
C5	Electric Power Sales	Wisconsin Public Service Commission
C6	Total Securities Registrations	Wisconsin Commissioner of Securities
C7	Manufacturing Employment	Wis. Dept. of Industry, Labor and Human Relations
C8	Average Weekly Earnings, Mfg.	Wis. Dept. of Industry, Labor and Human Relations
C9	Cash Receipts From Farm Marketing	U.S. Department of Agriculture
C10	Contract Construction Employment	Wis. Dept. of Industry, Labor and Human Relations
X1	Birth Registrations	Wis. Department of Health and Social Services
X2	Death Registgrations	Wis. Department of Health and Social Services
X3	Natural Net Gain in Population	Wis. Department of Health and Social Services
X4	Marriage Registrations	Wis. Department of Health and Social Services
X5	Consumer Price Index (Milwaukee)	U.S. Bureau of Labor Statistics
X6	Index of Prices Received By Farmers	Wisconsin Department of Agriculture
X7	Net Gain in Residential Phone Access Lines	Wis. Telephone Co. and General Telephone Co.
X8	Labor Disputes, No. of Workers	Wis. Dept. of Industry, Labor and Human Relations
X9	Unemployment Compensation Exhaustees	Wis. Dept. of Industgry, Labor and Human Relations

NOTES: Selected series are seasonally adjusted by the Bureau of the Census X-11 Variant of the Census Method II Seasonal Adjustment Program. The adjusted data are plotted on arithmetic scales.

SECTION A is a summary of recent data and current changes for all indicators and is presented in chart form. The indicators are presented with cyclical timing as the principle basis of classification.

SECTION B is a summary of Wisconsin Labor Force Estimates, including Employment, Unemployment and Unemployment Rates, and selected U.S. data.

SECTION C analyzes the Wisconsin labor force by industry and by specified Standard Metropolitan Statistical Areas.

SECTION D singles out certain economic time series as being leading or coinciding in relation to movements in aggregate economic activity. They are seasonally adjusted and presented graphically. The indicators are grouped by cyclical timing.

COVER PHOTO: Courtesy of Wisconsin Division of Tourism.

THE WISCONSIN ECONOMY

SUMMARY FOR JUNE

THE COMPOSITE INDEX OF LEADING INDICATORS FOR WISCONSIN WAS DOWN IN JUNE, BUT ONLY SLIGHTLY. THE EMPLOYMENT LEVEL IS UP, BUT THERE WAS A SMALLER THAN USUAL GROWTH IN THE LABOR FORCE.

LEADING INDICATORS

Wisconsin manufacturing workers spent more time on the job. The average number of hours worked per week by production workers increased in June by 2-tenths of an hour. Longer workweeks are normal for June. However, this June's increase was slightly below the seasonally adjusted pace.

At the same time, the number of workers employed in manufacturing, throughout the state, increased by over 11 thousand, an above normal increase. Thus, total production time - workers times hours - increased at an above normal rate.

The average number of overtime hours worked per week remained the same in June as one month earlier. Overtime usually increases in June. And, while more manufacturing workers are employed, negating costly overtime, the above normal employment level may be due to earlier-than-normal food processing. That would overstate Wisconsin's manufacturing condition in June.

The average number of weekly initial claims for unemployment compensation decreased in June. The decrease in the statewide average is small, but is significant because claims usually increase during that month. Claims growth and employment growth can occur together. Much of the summer rise in the employment level is in seasonal industries, and can go on while permanent employees in year-around industries are laid off.

The number of job openings received by Job Service offices throughout the state decreased in June. The job openings placed by employers usually increases in June along with normal June hiring.

New business incorporation decreased this month, but only slightly -six fewer than one month ago. Incorporations normally increase in June, but the normal seasonal difference between May and June is slight.

The net gain in business telephone access lines grew at well above the seasonal trend for June. The access line figure excludes extensions to already existing access lines, thus, is an indicator of growth in the number of business places.

Building plans examined remained at a high level - even for this time of the year. June's plans examined numbered only three fewer than the previous month's inspections. But, the two month's levels are both well above the normal for early summer. The plans include only industrial and commercial building projects.

WISCONSIN LABOR FORCE

While the level of total employment rose by over 16 thousand from May to June, the increase was weak for that time of the year. June is normally one of the state's busiest hiring periods, but this June's employment growth was not up to the growth experienced in the past several years.

Unemployment also increased in June. The increase was modest - 8,400 more jobless workers. That is below the normal May-to-June trend for unemployment.

What kept unemployment from growing at the normal mid-June pace is sluggish growth of the labor force. The number of labor force attached increased by just under 25 thousand in June, well under the normal trend for this time of year.

Section

A WISCONSIN ECONOMIC INDICATORS

INDICATOR	UNIT	MONTHLY SERIES Latest Month		Mo/Ago	Yr/Ago	% CHANGE Mo/Ago	Yr/Ago	AVG. 1984
LEADING INDICATORS								
L1 COMPOSITE INDEX OF LEADING INDICATORS								
Seasonally Adjusted	INDEX	80.0	Jun	83.0	68.1	-3.6	17.5	70.1
L2 AVG. WORK WEEK, MFG.								
Unadjusted	HOURS	41.3	Jun	41.1	41.3	0.5	0.0	41.1
Seasonally Adjusted		41.2		41.3	41.2	-0.2	0.0	
L3 AVG. OVERTIME HOURS, MFG.								
Unadjusted	HOURS	3.2	Jun	3.2	3.2	0.0	0.0	3.2
Seasonally Adjusted		3.3		3.5	3.3	-5.7	0.0	
L4 AVG. WEEKLY INITIAL CLAIMS								
Unadjusted	NUMBER	7,883	Jun	8,190	8,306	-3.7	-5.1	10,817
Seasonally Adjusted		9,113		10,678	9,604	-14.7	-5.1	
L5 TOTAL JOB OPENINGS REC.								
Unadjusted	NUMBER	8,251	Jun	9,359	9,230	-11.8	-10.6	8,694
Seasonally Adjusted		7,481		9,078	8,367	-17.6	-10.6	
L6 NEW BUSINESS INCORPORATIONS								
Unadjusted	NUMBER	592	Jun	598	573	-1.0	3.3	562
Seasonally Adjusted		561		571	542	-1.8	3.5	
L7 NET GAIN IN BUSINESS PHONES ACCESS LINES								
Unadjusted	NUMBER	2,558	Jun	1,947	1,717	31.4	49.0	328
Seasonally Adjusted		1,168		994	206	17.5	467.0	
L8 BUILDING PLANS EXAMINED								
Unadjusted	NUMBER	623	Jun	626	515	-0.5	21.0	487
Seasonally Adjusted		445		589	368	-24.4	20.9	
ROUGHLY COINCIDING INDICATORS								
C1 HELP-WANTED INDEX (MILW.)								
Seasonally Adjusted	INDEX	57	Jun	49	52	16.3	9.6	52
C2 UNEMPLOYMENT RATE, TOTAL								
Unadjusted	PERCENT	6.5	Jun	6.2	6.9	-	-	7.4
Seasonally Adjusted		6.7		6.9	7.7	-	-	
C3 NATURAL GAS SALES								
Unadjusted	MIL. THERMS	113.7	Jun	145.1	120.8	-21.6	-5.9	252.5
Seasonally Adjusted		229.7		198.8	244.1	15.5	-5.9	
C4 NEW CAR REGISTRATIONS								
Unadjusted	NUMBER	20,801	Jun	22,097	20,272	-5.9	2.6	16,066
Seasonally Adjusted		14,560		19,891	14,190	-26.8	2.6	
C5 ELECTRIC POWER SALES								
Unadjusted	MIL. KWH	1858.5	Jun	1883.0	1874.3	-1.3	-0.8	1865.8
Seasonally Adjusted		1851.1		1949.3	1867.4	-5.0	-0.9	
C6 TOTAL SECURITIES REGISTRATIONS								
Unadjusted	MIL. DOL.	501.8	Jun	122.4	77.4	310.0	548.3	89.4
Seasonally Adjusted		586.9		97.9	90.5	499.5	548.5	

A WISCONSIN ECONOMIC INDICATORS

INDICATOR	UNIT	MONTHLY SERIES Latest Month		Mo/Ago	Yr/Ago	% CHANGE Mo/Ago	Yr/Ago	AVG. 1984
C7 MANUFACTURING EMPL.								
Unadjusted	THOUS.	521.4	Jun	510.2	520.4	2.2	0.2	518.3
Seasonally Adjusted		518.8		515.9	518.0	0.6	0.2	
C8 AVG. WEEKLY EARNINGS, MFG.								
Unadjusted	DOLLARS	422.91	Jun	424.56	412.59	-0.4	2.5	412.46
Seasonally Adjusted		422.0		424.56	411.96	-0.6	2.5	
C9 CASH RECEIPTS FROM FARM MKTG.								
Unadjusted	MIL. DOL.	458.9	Dec	494.0	430.8	-7.1	6.5	435.9
Seasonally Adjusted		444.5		443.4	416.0	0.2	6.9	
C10 CONTRACT CONSTRUCTION EMPL.								
Unadjusted	THOUS.	64.0	Jun	62.4	60.7	2.6	5.4	58.3
Seasonally Adjusted		58.9		61.8	55.9	-4.7	5.4	
OTHER KEY INDICATORS								
X1 BIRTH REGISTRATIONS								
Unadjusted	NUMBER	6,015	Jun	6,515	5,721	-7.7	5.1	6,101
Seasonally Adjusted		6,157		6,193	5,853	-0.6	5.2	
X2 DEATH REGISTRATIONS								
Unadjusted	NUMBER	2,958	Jun	3,412	3,313	-13.3	-10.7	3,438
Seasonally Adjusted		3,091		3,335	3,461	-7.3	-10.7	
X3 NATURAL NET GAIN POPULATION								
Unadjusted	NUMBER	3,057	Jun	3,103	2,408	-1.5	27.0	2,663
Seasonally Adjusted		3,129		2,734	2,464	14.4	27.0	
X4 MARRIAGE REGISTRATIONS								
Unadjusted	NUMBER	4,763	Jun	3,927	4,600	21.3	3.5	3,420
Seasonally Adjusted		3,505		2,995	3,385	17.0	3.5	
X5 CONSUMER PRICE INDEX (MILW.)				(Mar)				
Unadjusted	INDEX	330.9	May	327.8	320.5	0.9	3.2	320.6
X6 PRICES RECEIVED BY FARMERS								
Unadjusted	INDEX	129	Jun	131	143	-1.5	-9.8	144
Seasonally Adjusted		129		130	143	-0.8	-9.8	
X7 NET GAIN IN RESIDENTIAL PHONES ACCESS LINES								
Unadjusted	NUMBER	561	Jun	-2,441	320	123.0	75.3	750
Seasonally Adjusted		1,981		1,846	69	7.3	2771.0	
X8 LABOR DISPUTES, NO. OF WORKERS								
Unadjusted	NUMBER	0	Jun	504	299	-	-	520
Seasonally Adjusted		0		679	253	-	-	
X9 UNEMPL. COMPENSATION EXHAUSTEES								
Unadjusted	NUMBER	28,800	Jun	29,334	30,035	-1.8	-4.1	28,186
Seasonally Adjusted		25,219		24,880	26,289	1.4	-4.1	

Section

B

LABOR FORCE ESTIMATES

WISCONSIN LABOR FORCE ESTIMATES JUNE	(In Thousands)			Pct. Chg.	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
Unadjusted					
CIVILIAN LABOR FORCE	2407.1	2382.4	2416.0	1.0	-0.4
Employment (Inc. Labor Disputes)	2250.0	2233.6	2250.0	0.7	0.0
Unemployment	157.2	148.8	166.0	5.6	-5.3
Unemployment Rate	6.5	6.2	6.9	-	-
Seasonally Adjusted					
CIVILIAN LABOR FORCE	2380.9	2389.3	2425.0	-0.4	-1.8
Employment (Inc. Labor Disputes)	2220.6	2225.5	2238.8	-0.2	-0.8
Unemployment	160.3	163.8	186.2	-2.1	-13.9
Unemployment Rate	6.7	6.9	7.7	-	-

WISCONSIN EMPLOYMENT ESTIMATES JUNE	(In Thousands)			Pct. Chg.	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
TOTAL NONFARM WAGE AND SALARY WORKERS	2015.6	1996.9	1959.5	0.9	2.9
Unadjusted					
Manufacturing	521.4	509.7	520.2	2.3	0.2
Mining	2.1	2.1	2.1	0.0	0.0
Contract Construction	64.0	62.4	60.7	2.6	5.4
Transportation and Public Utilities	91.7	92.1	90.3	-0.4	1.6
Elec., Gas and Sanitary Services	17.8	17.2	17.5	3.5	1.7
Wholesale Trade	101.4	101.5	101.4	-0.1	0.0
Retail Trade	376.8	372.4	357.5	1.2	5.4
General Merchandise	48.1	48.4	46.8	-0.6	2.8
Finance, Insurance and Real Estate	107.8	106.4	103.0	1.3	4.7
Banking	29.1	28.5	27.8	2.1	4.7
Insurance	34.0	33.7	32.5	0.9	4.6
Service and Miscellaneous	424.5	420.0	408.6	1.1	3.9
Hospitals	67.6	67.5	70.3	0.1	-3.8
Private Education	22.7	24.7	22.7	-8.1	0.0
Government	325.8	330.3	315.8	-1.4	3.2
State Government	79.2	85.1	76.6	-6.9	3.4
Local Government	218.7	217.8	212.1	0.4	3.1

UNITED STATES LABOR FORCE ESTIMATES JUNE	(In Thousands)			Pct. Chg.	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
Seasonally Adjusted					
CIVILIAN LABOR FORCE	114,783	115,373	113,619	-0.5	1.0
Employment	106,370	106,960	105,391	-0.6	0.9
Unemployment	8,413	8,413	8,228	0.0	2.2
Unemployment Rate	7.3	7.3	7.2	-	-

MANUFACTURING EMPLOYMENT *(Unadjusted)* JUNE	(In Thousands)		
	Latest Month	Month Ago	Year Ago
All Manufacturing (Including Canning)	521.4	509.7	520.2
All Manufacturing (Excluding Canning)	510.0	502.7	512.8
Durable Goods	320.1	317.3	323.1
Lumber and Wood Prod., (Except Furniture)	22.2	21.5	22.7
Sawmills and Planning Mills	3.3	3.3	3.1
Millwork, Veneer, Plywood & Prefab. Wood Prod.	10.3	9.6	10.2
Furniture and Fixtures	11.5	10.8	9.8
Household Furniture	5.2	4.7	4.4
Stone, Clay and Glass Products	7.6	7.3	7.7
Concrete, Gypsum and Plaster Products	3.2	3.0	3.1
Primary Metal Industries	20.2	20.0	20.4
Iron and Steel Foundries	11.2	11.1	11.4
Fabricated Metal Products	49.8	49.1	51.5
Heating Equipment (Except Electrical) & Plumbing Fixtures	5.0	4.9	5.8
Fabricated Structural Metal Products	11.9	11.8	11.8
Metal Stampings	12.0	11.9	12.6
Machinery (Except Electrical)	101.9	101.9	101.0
Engines and Turbines	19.3	19.4	20.4
Farm Machinery and Equipment	12.3	12.7	13.3
Const., Min. & Material Handling Mach. & Equip.	10.7	10.8	11.2
Metalworking Machinery and Equipment	12.0	12.0	11.2
Special Industry Machinery (Except Metalworking)	11.4	11.2	10.7
General Industrial Machinery and Equipment	15.2	15.2	14.8
Service Industry Machines	7.9	7.8	7.9
Electrical Machinery, Equipment and Supplies	50.4	50.2	52.9
Electrical Industrial Apparatus	18.2	18.2	18.5
Household Appliances	6.7	6.6	7.2
Transportation Equipment	35.6	35.4	36.3
Motor Vehicles and Equipment	28.3	28.3	29.9
Instruments and Related Products	10.4	10.4	10.7
Miscellaneous Manufacturing	10.6	10.6	10.1
Nondurable Goods	201.3	192.5	197.2
Food and Kindred Products	64.5	58.2	60.6
Meat Products	14.3	13.7	14.4
Dairy Products	19.0	18.1	18.0
Canning and Preserving	11.4	7.0	7.5
Bakery Products	3.8	3.7	4.2
Beverage Industries	8.2	8.0	9.1
Textile Mill Products	5.1	5.0	4.9
Knitting Mills	4.3	4.2	4.1
Apparel and Other Finished Products	6.6	6.4	6.8
Paper and Allied Products	48.6	46.9	48.6
Pulp and Paper Mills	30.7	29.4	30.5
Converted Paper and Paperboard Products	9.6	9.5	9.7
Paperboard Containers and Boxes	7.2	6.9	7.1
Printing, Publishing and Allied Industries	37.8	37.5	36.7
Newspapers	11.9	11.8	11.4
Commercial Printing	15.8	15.7	15.5
Chemicals and Allied Products	9.9	10.0	10.0
Rubber and Misc. Plastics Products	21.0	20.8	21.0
Miscellaneous Plastics Products	16.8	16.6	16.4
Leather and Leather Products	7.4	7.4	8.3
Leather Tanning and Finishing	2.0	2.0	2.1
Footwear (Except Rubber)	3.8	3.8	4.4
Other Nondurable Goods	-	-	-

Section

C WISCONSIN EARNINGS AND HOURS DATA

EARNINGS AND HOURS *(Unadjusted)* JUNE	Average Weekly Earnings			Average Weekly Hours		
	Latest Month	Mo. Ago	Yr. Ago	Latest Month	Mo. Ago	Yr. Ago
All Manufacturing (Incl. Canning)	$423	$425	$413	41.3	41.1	41.3
All Manufacturing (Excl. Canning)	428	427	415	41.5	41.2	41.4
Durable Goods	438	437	422	41.6	41.3	41.4
Lumber/Wood Prod. (Exc. Furn.)	317	317	308	42.4	42.2	41.8
Furniture and Fixtures	299	298	309	40.0	40.4	41.7
Stone, Clay and Glass Products	397	400	405	41.9	42.5	42.5
Primary Metal Industries	411	405	411	41.4	40.9	42.5
Iron and Steel Foundries	410	393	431	40.8	39.2	43.4
Fabricated Metal Products	408	409	409	40.3	40.3	40.7
Fab. Structural Metal Prod.	443	437	432	43.1	42.9	42.9
Metal Stampings	396	398	374	39.2	39.2	38.3
Machinery (Except Electrical)	487	487	474	42.2	41.8	41.7
Engines and Turbines	491	534	481	39.2	41.6	40.3
Farm Machinery and Equip.	550	526	537	42.0	41.4	41.7
Const. and Related Mach.	484	480	509	41.2	41.2	42.3
Metalworking Mach. and Equip.	508	508	489	42.4	42.1	43.0
Spec. Ind. Mach. (Exc. Metal) .	496	490	478	43.6	43.3	43.4
Gen. Industrial Mach. and Equip.	488	486	486	40.7	40.5	41.6
Electrical Mach., Equip. and Supp.	406	391	394	40.5	39.5	41.3
Electrical Industrial Apparatus	423	412	434	40.6	39.7	42.8
Transportation Equipment	605	609	533	43.2	43.2	40.9
Instruments and Related Prod.	362	364	359	40.2	40.3	41.7
Nondurable Goods	398	405	398	40.9	40.9	41.2
Food and Kindred Products	364	388	373	39.5	40.2	39.3
Meat Products	345	352	356	39.3	39.3	38.8
Dairy Products	394	394	376	42.0	41.2	40.1
Textile Mill Products	288	293	276	40.6	40.4	40.9
Apparel and Other Fin. Prod.	248	245	235	40.7	39.7	38.4
Paper and Allied Products	532	527	499	46.0	45.5	45.0
Pulp and Paper Mills	569	573	537	46.6	46.8	46.2
Printing, Pub. and Allied Prod.	403	405	424	37.7	37.6	39.4
Chemicals and Allied Products	440	457	444	41.2	41.7	42.4
Rubber and Misc. Plastics Prod.	322	319	344	39.1	39.1	42.0
Leather and Leather Products.	255	254	261	39.0	39.0	39.0

Section

C WISCONSIN EARNINGS AND HOURS DATA

EARNINGS AND HOURS *(Unadjusted)* JUNE	Average Hourly Earnings Including O.T.			Average Hourly Earnings Excluding O.T.		
	Latest Month	Mo. Ago	Yr. Ago	Latest Month	Mo. Ago	Yr. Ago
All Manufacturing (Incl. Canning)	10.24	10.33	9.99	9.88	9.96	9.63
All Manufacturing (Excl. Canning)	10.32	10.37	10.03	9.96	10.00	9.66
Durable Goods	10.54	10.59	10.19	10.25	10.27	9.87
Lumber/Wood Prod. (Exc. Furn.)	7.48	7.51	7.36	-	-	7.23
Furniture and Fixtures	7.47	7.38	7.40	7.29	7.22	7.34
Stone, Clay and Glass Products	9.47	9.42	9.53	9.23	9.18	9.37
Primary Metal Industries	9.93	9.91	9.67	9.58	9.60	9.26
Iron and Steel Foundries	10.04	10.03	9.93	9.75	9.79	9.51
Fabricated Metal Products	10.13	10.16	10.05	9.81	9.81	9.61
Fab. Structural Metal Prod.	10.28	10.18	10.07	9.87	9.68	9.64
Metal Stampings	10.10	10.16	9.77	9.92	10.00	9.58
Machinery (Except Electrical)	11.55	11.64	11.37	11.25	11.27	11.06
Engines and Turbines	12.52	12.83	11.93	12.23	12.31	11.67
Farm Machinery and Equip.	13.09	12.71	12.88	12.75	12.38	12.62
Const. and Related Mach.	11.75	11.66	12.03	11.52	11.45	11.82
Metalworking Mach. and Equip.	11.99	12.07	11.38	11.54	11.64	10.82
Spec. Ind. Mach. (Exc. Metal).	11.38	11.31	11.02	10.89	10.83	10.49
Gen. Industrial Mach. and Equip.	11.98	12.01	11.68	11.67	11.75	11.27
Electrical Mach., Equip. and Supp.	10.02	9.91	9.53	9.77	9.72	9.28
Electrical Industrial Apparatus	10.41	10.38	10.15	10.21	10.21	9.87
Transportation Equipment	14.01	14.10	13.02	13.45	13.50	12.49
Instruments and Related Prod.	9.01	9.03	8.62	8.87	8.84	8.29
Nondurable Goods	9.74	9.89	9.66	9.28	9.43	9.22
Food and Kindred Products	9.22	9.64	9.48	8.75	9.14	9.08
Meat Products	8.77	8.96	9.17	8.45	8.55	8.91
Dairy Products	9.39	9.57	9.38	8.95	9.10	8.96
Textile Mill Products	7.10	7.24	6.76	6.84	6.98	6.54
Apparel and Other Fin. Prod.	6.10	6.18	6.13	5.90	6.03	5.99
Paper and Allied Products	11.56	11.58	11.09	11.02	11.04	10.58
Pulp and Paper Mills	12.21	12.25	11.62	11.66	11.66	11.10
Printing, Pub. and Allied Prod.	10.68	10.76	10.76	10.23	10.32	-
Chemicals and Allied Products	10.68	10.95	10.47	10.42	10.63	10.19
Rubber and Misc. Plastics Prod.	8.23	8.15	8.18	7.96	7.91	7.79
Leather and Leather Products.	6.54	6.51	6.70	6.33	6.37	6.57

Section

C SUMMARY OF RECENT WISCONSIN DATA

EARNINGS AND HOURS, MFG. Production Workers *(Unadjusted)* JUNE	Average Weekly						Average Hourly Earnings				
	Earnings			Hours			Including O.T.			Excluding O.T.	
	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago
United States	$386	$382	$373	40.6	40.3	40.8	9.50	9.48	9.15	-	-
Wisconsin	423	425	413	41.3	41.1	41.3	10.24	10.33	9.99	9.88	9.96
Selected Areas											
Appleton-Oshkosh (Calumet-Winnebago-Outagamie)	430	428	412	43.0	42.5	42.5	9.99	10.08	9.70	9.55	9.69
Beloit (City)	354	359	367	37.8	38.2	39.6	9.36	9.41	9.27	-	-
Eau Claire (Eau Claire-Chippewa)	422	435	424	40.3	41.4	42.1	10.46	10.50	10.06	10.01	10.04
Fond du Lac (County)	353	379	386	39.8	42.2	42.4	8.87	8.97	9.09	8.66	8.66
Green Bay (Brown County)	459	460	448	41.5	41.0	42.4	11.05	11.22	10.56	10.42	10.54
Janesville (City)	557	629	548	40.9	44.4	41.9	13.63	14.16	13.09	13.32	13.62
Janesville-Beloit (Rock County)	482	524	466	40.2	42.2	40.7	11.98	12.42	11.45	11.63	11.83
Kenosha (County)	515	516	463	40.7	40.9	39.3	12.65	12.62	11.77	12.30	12.40
La Crosse (County)	356	356	337	37.4	38.2	37.8	9.52	9.32	8.91	9.07	8.87
Madison (Dane County)	387	400	399	40.6	41.3	40.4	9.52	9.69	9.88	9.09	9.24
Manitowoc (County)	376	377	358	40.2	40.2	40.3	9.35	9.38	8.88	9.12	9.15
Milwaukee (Milwaukee-Ozaukee-Waukesha-Washington)	474	470	465	41.2	40.7	41.8	11.51	11.55	11.13	11.01	11.02
Racine (County)	419	414	417	39.5	38.8	39.9	10.62	10.67	10.46	10.39	10.41
Sheboygan (County)	378	383	386	39.3	39.2	40.0	9.61	9.77	9.64	9.31	9.48
Wausau (Marathon County)	420	401	397	44.1	42.3	42.9	9.52	9.47	9.26	9.13	9.10

EMPLOYMENT, MFG. *(Unadjusted)* JUNE	(In Thousands)			Percent Change	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
United States	19,524.0	19,409.0	19,585.0	0.6	-0.3
Wisconsin	521.4	509.7	520.2	2.3	0.2
Selected Areas					
Appleton-Oshkosh (Calumet-Winnebago-Outagamie)	48.1	46.5	47.2	3.4	1.9
Beloit (City)	5.7	5.7	5.8	0.0	-1.7
Eau Claire (Eau Claire-Chippewa)	9.1	8.9	9.4	2.2	-3.2
Fond du Lac (County)	10.8	10.4	10.9	3.8	-0.9
Green Bay (Brown County)	23.7	22.6	22.7	4.9	4.4
Janesville (City)	10.9	10.9	10.8	0.0	0.9
Janesville-Beloit (Rock County)	18.9	18.7	19.0	1.1	-0.5
Kenosha (County)	14.1	14.3	16.5	-1.4	-14.5
La Crosse (County)	10.4	10.3	10.9	1.0	-4.6
Madison (Dane County)	21.5	20.8	20.2	3.4	6.4
Manitowoc (County)	11.0	10.8	11.3	1.9	-2.7
Milwaukee (Milwaukee-Ozaukee-Waukesha-Washington)	170.8	170.2	175.1	0.4	-2.5
Racine (County)	25.3	25.3	25.9	0.0	-2.3
Sheboygan (County)	19.2	18.5	19.1	3.8	0.5
Wausau (Marathon County)	11.8	11.5	11.3	2.6	4.4

MAJOR EMPLOYMENT AND TRAINING CHALLENGES OVER THE NEXT DECADE

by August L Cibarich

Our changing mix of industry and the lack of substantial employment growth beyond 1979 levels has had an impact on a number of other social and economic factors in our state. A year ago nine developments or issues were presented as major factors expected to influence employment and training and economic development efforts in the next decade. Excerpts are presented below along with several additional issues.

COMPUTERS ON THE FACTORY FLOOR

The robots are coming! The robots are coming! Actually, the message should be - the computers are coming! Robots are expected to amount to only 15 percent of the factory computer revolution known as computer assisted or aided manufacturing (CAM).

In brief, the short-term impact of the changes will be the creation of a number of jobs building, installing and maintaining the automated equipment. The immediate on-site impact will be the elimination of large numbers of semi-skilled operators and inspectors' jobs and further reductions in the number of "unskilled" material handling, feeding and offbearing type jobs. The impact on "skilled" jobs is not clear. Several hundred thousand jobs in Wisconsin industries are susceptible to this reduction while the eventual number of "created" jobs is much more difficult to estimate.

THE FUNCTIONAL ILLITERATES

Much has been said and much has been spent to assist high school dropouts in the last two decades, yet the pool of unemployed and discouraged semi-illiterate and functional illiterates remains.

The difficulties associated with helping this group of citizens become self-sufficient, contributing members of society will be greatly increased by the use of "Computers On the Factory Floor."

The ability to give instructions to a computer will replace the pushing or pulling of levers, turning over of a part and visually inspecting it.

Leaving school without an adequate command of language skills greatly reduces or eliminates the ability of a worker to program, install, service and maintain computers. Thus, reducing functional illiteracy takes on even greater urgency in the next decade.

THE GROWTH OF TECHNICAL WORK

The need to develop more workers with specific technical skills stands out as an opportunity the state must grasp to maintain its industrial base. Changes in the technical specialties needed and the content of jobs and training needs will be rapid.

Wisconsin has a head start over other states in our system of technical colleges and institutes. Most states have an extensive community college system which they must redirect to the technical education effort while Wisconsin already has such a system.

THE NON-TECHNICAL COLLEGE HARVEST

The number of college educated job seekers has increased enormously over the last several decades. This increase occurred as an article of faith in the future, with little tangible evidence that the work place needed or could, in fact, absorb the vast army of graduates that would

leave our college campuses. In recent years, each succeeding class of students has graduated with a larger average debt associated with its education. Thus, relating college level education to work-force-needs has taken on increasing relevance with every passing year.

Many graduates have not found employment that is commensurate with their educational levels. Exactly how large is the underemployment of college graduates? No one really knows.

THE PEOPLE WORK EXPLOSION

Jobs working with "people" have been expanding at a rapid pace in the last several decades. The expansion has occurred in the entire spectrum of occupations including those occupations which contain a very significant "data" involvement. Literally tens of millions of these jobs were "created" in the last two decades nationwide and several hundred thousand were created in our state.

The issue for the next decade will be the extent to which "people" jobs will continue to provide additional jobs. Hints of the reduction in the growth rate are evident in the recent decline in hospital employment. This is an area of work that provided much of the job growth. Recently, job growth outside of hospitals has continued in the health care field, but has only balanced out the job losses in hospitals.

Another hint of a slowdown and possible flattening of growth trends has occurred in "people" jobs in the Retail Trade industry during the recessionary years from 1980 to 1983.

Four straight years of slight declines in Retail Trade employment occurred. While recovery in 1984 has been extensive, the "topping out" of long term job growth in Retail Trade employment must be considered one of the next decade's distinct possibilities.

THE RATIONING OF JOBS AND WAGES

Concern and a desire to improve the lives of the disadvantaged and others with special needs became national goals in the 1960's when unemployment levels were much lower.

Turning a dependent person into a self-supporting individual reduced taxes and met employers needs for workers.

In today's much harsher world, with much higher unemployment rates and general surpluses of workers, these very same efforts are today a form of rationing. Competing programs, agencies and individuals in a jobs-short work world that is likely to continue into the nineties, complicates the task of aiding the disadvantaged and has turned some employment and training efforts into a set of rationing systems.

Another major issue is that of wages. Equal pay for equal work is becoming equal pay for "comparable worth". Defining comparable worth could become the most complicated issue in the next decade. No comprehensive standardization of work measures is now occurring because of the closing of U.S. Department of Labor funded Occupational Analysis Field Centers, which defined job skills. Standards for measuring jobs may, by default, become the prerogative of the legal profession.

TRI-WORKER FAMILIES

Much has been said about the two-worker family, where both the husband and wife must work to live at

a desired standard. Life styles have sharply changed, with extensive social and economic consequences. The implication of long-term growth of lower paying service jobs and the hastened decline of higher paying jobs is likely to magnify problems beyond those resulting from growth of the two-worker family.

In Hawaii, long a service-oriented economy, it is said two-worker families are not enough. To live there, high living costs and low paying service jobs require more than two workers per family. The social and economic realities of increasing numbers of tri-worker families, nationwide, should be a major issue in the next decade.

PAYING BACK THE DEBT

In recent years, employment and training budgets have been limited by budgetary restraints as the various government entities have "tightened their belts" by reducing rates of growth and, in some cases, actually reduced budgets in real dollar terms.

Recent federal deficits are the largest ever, consumer debt formation is very high and business borrowing very strong. Repayment of this government, consumer and business debt limits the ability of the economy to expand further, and will limit resources available to improve the labor marketplace during the next decade. The challenge is how to handle the labor problems of the next decade without increases in resources or with a reduction in resources.

THE SURGE IN ENTREPRENEURSHIP

In the last decade and one-half, a surge in entrepreneurship has occurred in the United States. This development had, to a large extent, gone unnoticed or had been ignored by employment and training professionals.

During the previous 15 years, employment in the top Fortune 1000 firms has gone down by six million, while total employment has increased by 35 million. High-tech employment is estimated to have provided six million new jobs in this period of time. Thus, 35 million jobs have been developed in medium and small size firms and sole proprietorships, other than "high tech" in nature.

Will this phenomenon continue over the next decade? How many more boutiques, fast food restaurants and convenience stores can our economy support? Can these small enterprises and sole proprietorships provide the job growth that employment in large businesses and government formerly provided? Are these "real jobs"? How much income is generated, and what is to be the future relationship between employment-and-training efforts and this development.

THE END OF RAPID INFLATION

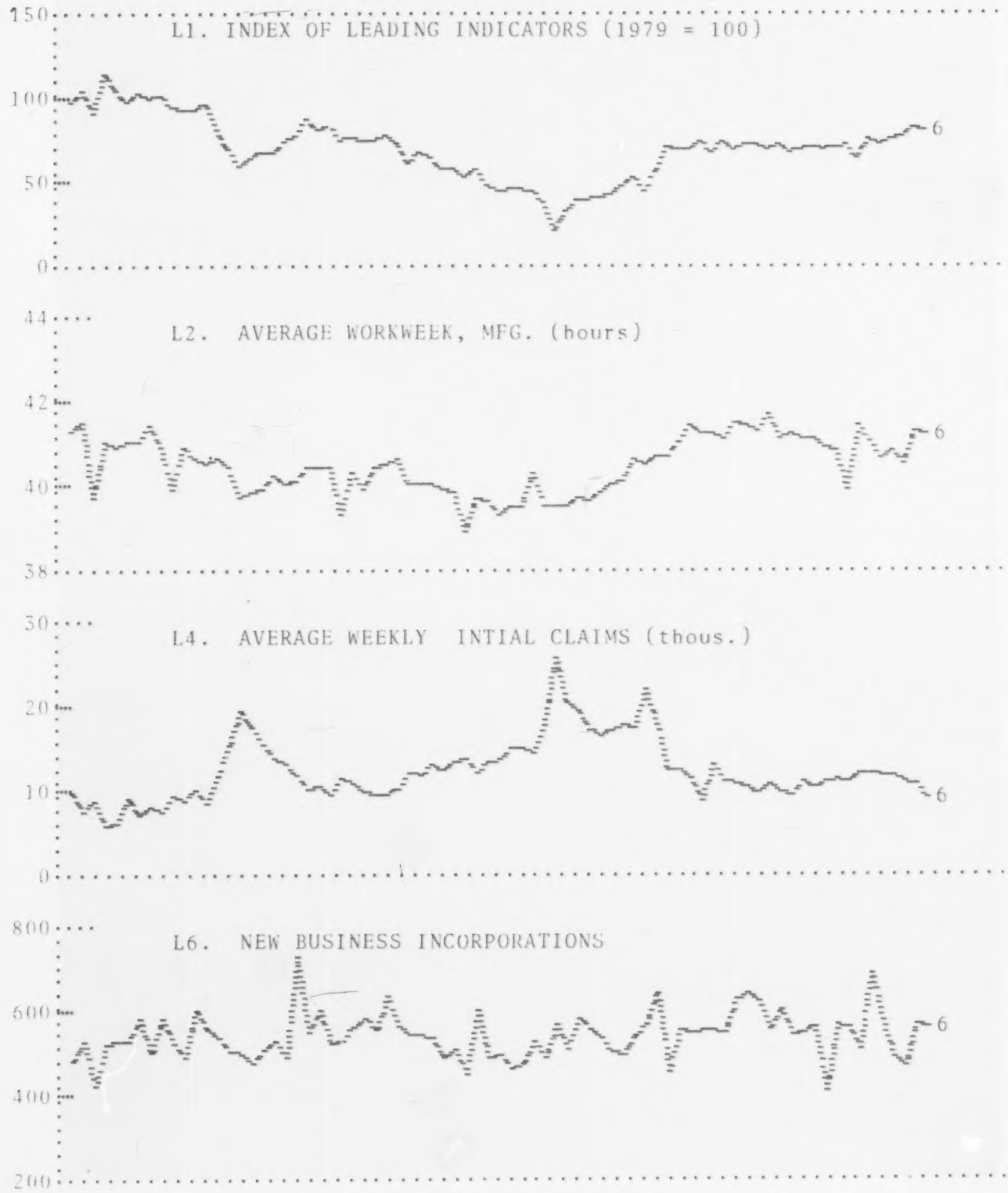
During the lifetime of the vast majority of the people living in the industrialized nations, inflation was the economic experience. Our ideas were influenced most by rising prices and scarcity.

However, in recent years, farmers, bankers, miners and others, whether they be small or world-class in size, have been adversely affected by price deflation. Commodity prices generally and the prices of some finished goods have decreased in price. More price declines can be expected to follow since efforts to increase productivity, lower unit wage costs and increase production capacity have become worldwide developments. Today overcapacity appears to be a major force in the world's economy.

(Continued on back cover)

Section

D CYCLICAL INDICATORS



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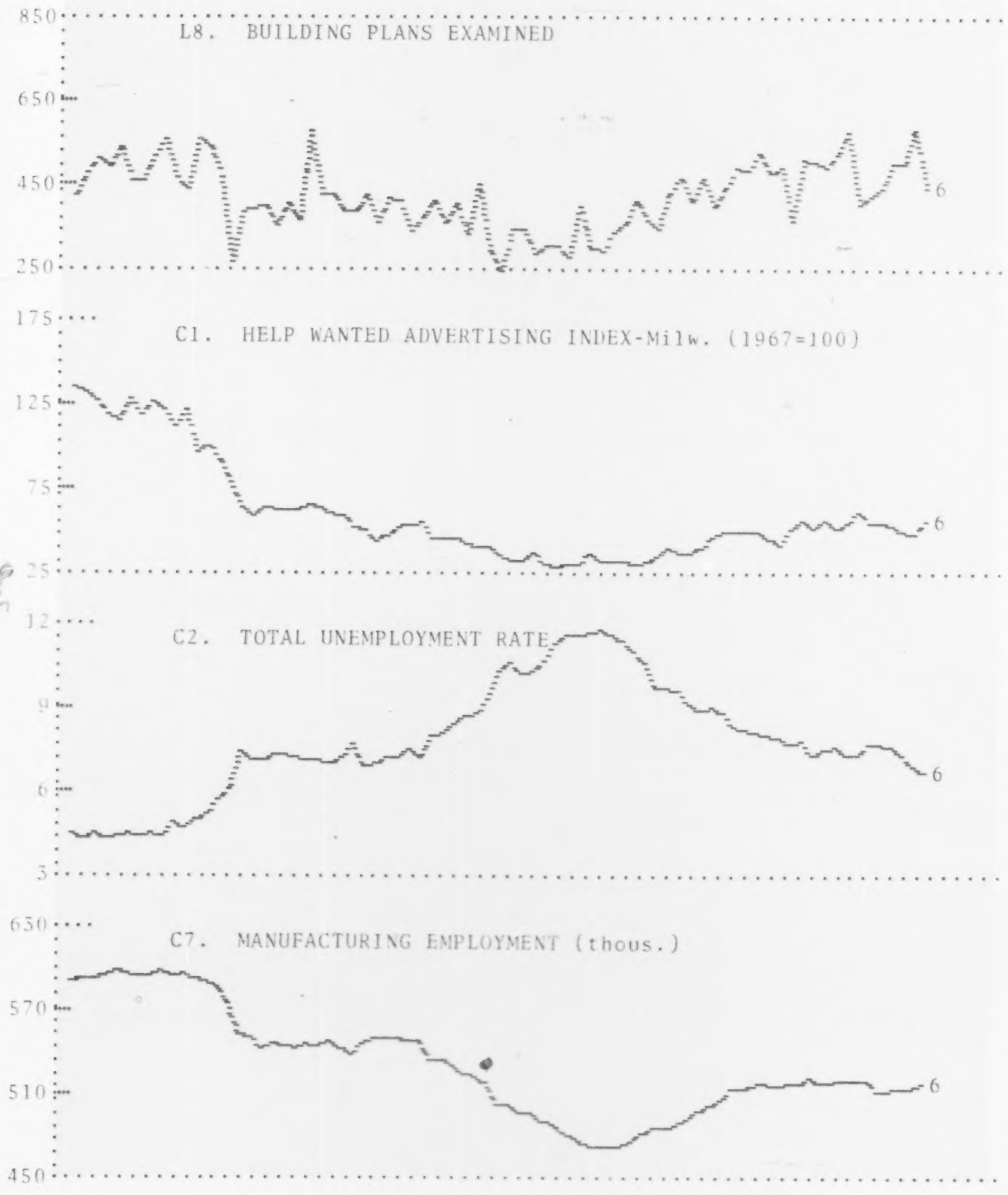

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Companies that cannot raise prices are generally unable to raise employes' wages unless workers become more productive.

In the short run, disruption and miscalculations will accompany the end of rapid inflation. In the long run, increased demand will eventually occur as increased productivity lowers prices and new products and services develop from innovations we do not now envision. Demand for labor will again increase.

We cannot limit our thinking to trends resulting from decades of inflation and product shortages when we attempt to estimate future employment and training needs.

YOUNG VS. OLD

One of the consequences of the shift from an inflationary economic environment to one of disinflation is a developing conflict of interest between younger and older individuals.

Maximum Social Security taxes are now many times the maximum paid by most retired workers. The system now must be supported by a much smaller number of current workers per recipient. That number will continue to decline.

The end of rapid asset appreciation, resulting from the taming of inflation and the lower interest levels for savings accounts, limits the ability of the young to accumulate a nest egg for retirement. Employment growth in lower paying industries and declines in higher paying industries limit the wages younger workers receive.

On the positive side, the ability to shelter income from taxes to a future date, if invested in IRA's or other retirement plans, was not available to most of today's elderly until recently. These advantages must, however, be financed out of savings that may be difficult for youth to accumulate.

Earning less (in real, if not current terms) and asked to contribute a much higher percentage of their earnings to a safety net that will not directly benefit them for decades, younger workers can be expected to desire changes in this arrangement. Changes in the current relationships can be expected to affect employment and training. Raising the retirement age to reduce Social Security taxes on today's workers would also reduce the job openings that are created by an earlier retirement age.

A SMALLER SAFETY NET

As we switch from an inflationary economic environment to a disinflationary or deflationary one, the financial resources available for the socio-economic safety net stop increasing as well. The efforts to slow down or stop inflation, the reduction of reserves in government insurance accounts (such as unemployment-insurance reserves, bank failure reserves), and the federal deficit, have resulted in retrenchment from past levels of benefits. Current economic problems indicate that this trend towards the reduction of benefits will continue. The shrinking of the safety net increases the need for successful employment and training efforts.